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## California Postsecondary Education Commission

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# Minutes

## Meeting of December 12-13, 2006

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### COMMISSIONERS PRESENT

Howard Welinsky, Chair  
Olivia K. Singh, Vice Chair  
Alan S. Arkatov  
Joseph P. Bishop  
Irwin S. Field  
Russell S. Gould  
Lance T. Izumi  
Hugo Morales  
John P. Perez  
Ralph R. Pesqueira

### COMMISSIONERS ABSENT

Melinda Guzman  
Kenneth A. Noonan  
Evonne S. Schulze

### CALL TO ORDER

Commission Chair Howard Welinsky called the December 12, 2006, meeting of the California Postsecondary Education Commission to order at 9:00 a.m. in the Commission Conference Room at 770 L Street, Suite 1160, Sacramento, California.

### CALL OF THE ROLL

Executive Secretary Anna Gomez called the roll for the December 12, 2006, meeting and a quorum was present.

### APPROVAL OF THE MINUTES

The minutes of the September 26, 2006, Commission meeting were unanimously approved. The minutes of the September 26, 2006, Nominating Committee meeting were also approved.

### REPORT OF THE CHAIR

Chair Welinsky welcomed Commissioner Ralph Pesqueira, newly-appointed as a public member by the Governor to the Commission. Commissioner Pesqueira had previously served on the Commission for a number of years as a representative of the California State University Board of Trustees. Chair Welinsky also recognized and welcomed Commissioner Russell Gould, recently appointed to the Commission by the University of California Board of Regents. He also announced that Commissioner Irwin Field will be leaving the Commission. He presented Commissioner Field with a resolution for his positive involvement and outstanding representation of the state's independent colleges and universities. Commissioner Field expressed his appreciation to staff members, particularly staff member Ms. Anna Gomez, for their assistance during his tenure.

Chair Welinsky stated that Commissioner Perez has indicated a strong interest in the gender gap in higher education and its impact on the economy. Commissioner Perez praised Commission staff for their excellent work on this issue, noting that he used the Commission's website for his research.

Chair Welinsky concluded his remarks by commenting on the evolving nature of CPEC's focus over the years and how the Commission is now well-positioned to focus on the interests of students.

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## REPORT OF THE EXECUTIVE DIRECTOR

Organizational and Personnel Changes: Vice-chair Singh presented Chair Welinsky with a resolution commending him on his three-year tenure as Chair of the Commission and the outstanding work that he has done. Director Murray Haberman announced that policy analyst Ms. Marge Chisholm would be retiring at the end of the year and commended her on her thirteen-year tenure.

Recent Activities of the Director: Director Haberman reported on a number of in-state and out-of-state conferences he had attended over the past three months and reviewed major issues discussed at these meetings. Conferences attended were: (October) Policy Challenges Facing California Higher Education -- Campaign for College Opportunity Conference in Pasadena; (November) the National Postsecondary Education Cooperative (NPEC) Student Success Symposium, Washington, D.C.; and Midwestern Higher Education Compact (MHEC) and SHEEO -- The Spellings Commission Report: A Catalyst for Action -- (National agenda on Accessibility, Affordability, Quality, and Accountability); and (December) Consortium for Policy Research in Education (CPRE) -- Teachers for a New Era California Policy Roundtable. Director Haberman also reported that in January, 2007 he would attend and present at the Alliance for International Higher Education Policy Studies -- State Policies and System Performance Final Project Conference at New York University.

Other Updates: Staff member Dr. Stacy Wilson updated the Commission on the review and analysis of new data concerning UC Irvine's proposal for a new law school. He also reviewed the progress of reviewing and approving new educational doctoral programs at the California State University.

Staff members Ms. Sherri Orland and Mr. Kevin Woolfork addressed the Commission on their work relating to the restructuring of the Bureau for Private Postsecondary and Vocational Education. They are participating in a legislative work group designed to develop an initiative to reorganize the oversight function of private proprietary institutions. Ms. Orland also discussed the changes in leadership of the Legislature's Education committees.

Assistant Director Peter McNamee reported on discussions with the Commission's advisory committee on UC and CSU compensation studies regarding the merits of continuing to produce such reports. He stated that the group will discuss the usefulness of the studies and how they could be revised to be of more value to policymakers.

Staff members Ms. Karen Humphrey and Ms. Tarnjeet Kang gave a progress report on the gender gap research effort. Staff are continuing efforts to secure funding partners for two areas: the interaction between gender and other achievement gap areas such as race, ethnicity, and socioeconomic status; and K-12 influences before the last year or two of high school. Preliminary research questions were also discussed.

Assistant Director Marc Irish introduced the new College Guide and gave a website demonstration and navigational tour of the Commission's website.

## REPORT OF THE STATUTORY ADVISORY COMMITTEE

Committee Chair Robert Oakes reported on the December 6, 2006, meeting of the Statutory Advisory Committee. He began his presentation by announcing that this would be his last report as chair of the committee and that Mr. Todd Greenspan will be the new chair.

He expressed the concerns of three of the segments with regard to items before the Commission on accountability measures and affordability. The concerns centered on the impression that the Accountability Technical Advisory Committee would continue to meet and confer on the actual measurement tools to be used in regard to the accountability framework. With regard to the affordability reports, he commented that the segments believe a number of the staff's recommendations are not reflective of the affordability panel's work. The segments were specifically disappointed that the staff recommendations were not supported by the panel's discussions.

### **CALIFORNIA HIGHER EDUCATION ACCOUNTABILITY: GOAL – STUDENT SUCCESS**

#### **Measure: Time-to-Degree**

Staff member Ms. Jessika Jones introduced the item by reviewing the Commission's work on establishing a framework, goals, and measures for higher education accountability. This report focuses on time-to-degree as one measurement of student success. Ms. Jones reviewed the methodology and data used for the report and explained why the measure is important. She cited average four- and five-year graduation rates for students at both the University of California (UC) and the California State University (CSU) as compared to comparable institutions nationwide. She stated that California's public universities compare well with their counterparts across the country. Also included in the report is data demonstrating graduation rates by ethnicity and gender. Ms. Jones described campus efforts to improve time-to-degree for those groups with the lowest rates.

Commissioners discussed the lack of data on the independent institutions. While some graduation rate data are available, the Commission has been unable to obtain unit specific data from the independent sector, thus limiting the Commission's ability to incorporate corresponding information from that sector. Assistant Director Peter McNamee reminded the Commission that this is the first report of a comprehensive year-long effort that will focus on all 17 measures outlined in the Commission's accountability framework. He noted that the accountability framework will evolve as it is rolled out and is intended to be responsive to information needs for assessing higher education.

### **PRESENTATION BY CALIFORNIA STATE UNIVERSITY CHANCELLOR CHARLES B. REED**

Chancellor Reed presented a broad discussion of the California State University's economic and cultural impact on California, noted that CSU produces up to 60% of the workforce in the top eight or nine industries that drive the economy, and up to 90% of workers in the service professions. He expressed his concerns, however, that the state must do a better job of ensuring that college and university student populations better reflect the make up of California's population as a whole; and that we must build a college-going culture for people of all cultures and races to increase eligibility for college and university admission.

Chancellor Reed referenced a number of CSU activities and programs intended to improve student outcomes, including:

- The Early Academic Preparation (EAP) program assessment tool that is imbedded in the California State Test taken by high school juniors. This tool measures student readiness for college and identifies areas where students need higher skills;
- Intersegmental outreach programs targeting high school and community college students;

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- The importance of “going to the people” as a way of reaching minority populations; he invited Commissioners to participate with him as he continues to conduct Sunday visits to churches and cultural centers in committees that have low college participation;
- The importance of focusing on middle school students, who are at a critical age for deciding whether or not to stay in school; and
- CSU’s outreach efforts targeting veterans.

In concluding his discussion, Chancellor Reed stated that the number of minority students applying to college has increased significantly over the past 18 months during which many additional outreach activities were taking place, but he cautioned that the efforts must be rigorously supported and sustained.

### **RECESS**

Chair Welinsky adjourned the meeting for lunch recess at 12:07 p.m.

### **RECONVENE**

Chair Welinsky reconvened the meeting at 1:45 p.m.

## **CALIFORNIA HIGHER EDUCATION ACCOUNTABILITY: GOAL – STUDENT SUCCESS**

### **Measure: First-Year Persistence Rates**

Staff member Ms. Jessika Jones introduced this item as the second in a series of reports measuring student success. This report focused on first-year persistence rates as a valid measurement of student success. She reviewed the methodology and data used for the reports and explained why the measure is important. Ms. Jones cited persistence rate data for students at both the University of California (UC) and the California State University (CSU) and compared California’s public four-year institutions with comparable institutions nationwide. She noted that California campuses are achieving high student persistence rates compared to similar institutions nationwide. The report also included data broken down by ethnicity, income factors, and enrollment status. Ms. Jones described campus efforts to improve first-year persistence rates for those groups with the lowest rates.

## **CALIFORNIA HIGHER EDUCATION ACCOUNTABILITY: GOAL – STUDENT SUCCESS**

### **Measure: Four-Year Degrees Conferred on Community College Transfer Students**

Staff member Mr. Kevin Woolfork introduced this item as one of the measures of student success under the accountability framework presented to the Commission in June, 2006. It presented time-to-degree data for community college students transferring into the University of California (UC) and the California State University (CSU) in fall 2000. The Commission’s longitudinal student data system was used as the basis for the report. The data showed that more than half of the students who transferred to CSU attained degrees within three years, as did 78% of those students who transferred to UC. Mr. Woolfork reported that there are a variety of reasons that impact a student’s time-to-degree. Many of these factors are a result of individual student decisions, while others result from issues out of their control. Some of the factors impacting the time-to-degree measured for this cohort include course-taking decisions, increases in student fee levels, changes in major, the State’s economic recession leading to reductions in course offer-

ings and student support services, personal choice, and changes in financial assistance. He cautioned that, while these rates are of interest, at present there is a need for additional information and data elements to capture other student behaviors that impact both performance and outcomes. The Commission will build upon this initial report to acquire information that sheds more light on the area of transfer and other facets of student persistence and degree completion.

### **KEEPING COLLEGE AFFORDABLE IN CALIFORNIA**

Higher education consultant Mr. Greg Gollihur presented a report on the work of the Special Panel on Affordability to the Commission. Mr. Gollihur thanked graduate students Ms. Tarnjeet Kang and Ms. Tamar Foster for their contributions, as well as EdFund representatives Ms. Jenni Woo and Mr. Jason Barnhart. He also noted that Commissioner Joseph Bishop, segmental representatives, members of various agencies, and others played a significant role in the production of the panel's report.

Mr. Gollihur stated that while the report presented to the Commission was still in need of minor revisions, it encompassed the views of the panel. The panel met four times between August and November, and also formed a sub-group to create a dataset from which to draw upon. While the panel thought that it was important to take into consideration the cost of higher education to the systems, it ultimately determined that the report should focus on the net cost of attendance to the students and families, minus aid. Mr. Gollihur noted that while California's higher education systems remain committed to increasing access to education, students from low-income families struggle to meet the total cost of attendance, and that middle-income families were also struggling. Recent changes in federal laws strongly suggest that increases in the dependency on borrowing will occur. It was also emphasized that the total cost of attendance needed to be taken into consideration, instead of just the fees that students are charged. Increases in financial literacy should become a priority, particularly since low-income students that benefit from financial aid the most have the least knowledge about it.

Director Haberman outlined staff recommendations for improving affordability, emphasizing the need for reforms to make higher education more affordable for students. Recommendations included increasing public funding to allow a five-year freeze on mandatory statewide fees, increases to Cal Grant and other financial aid programs, managing increases in student costs so they are predictable, financial assistance for middle-income families, as well as continued advocacy for decentralization of the Cal Grant programs. The impact of borrowing on access to higher education, the possibility of using tax policies to lessen the burden of costs, and other initiatives were also discussed.

The report was adopted by a majority with Commissioners Arkatov, Field, Perez, Singh, and Welinsky voting "Aye" and Commissioners Bishop, Gould, and Pesqueira voting "Nay."

### **THE IMPACT OF SOCIOECONOMIC FACTORS ON COLLEGE-GOING RATES**

Staff member Dr. Adrian Griffin began the presentation with a review of the Commission's previous report on college-going rates, describing college-going trends for each segment over the last 20 years. Graduate student intern Ms. Tarnjeet Kang presented a report contrasting income levels in high school neighborhoods to college-going rates. Trends for each public postsecondary segment were presented, broken down by gender and ethnicity. Displays presented indicated that there are still significant inequities among students graduating from high schools in neighborhoods in low-income areas.

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### **FACTORS AFFECTING COLLEGE-GOING RATES IN CALIFORNIA: A STUDY PROSPECTUS**

Staff member Dr. Adrian Griffin and graduate student intern Ms. Lingbo Liu reported on factors that drive variations in college-going rates, and proposed a study to statistically analyze how college-going rates are affected by school demographics, neighborhood characteristics, and regional labor market factors. The proposed study would build upon what is known about these factors by examining a range of additional factors and assessing their interrelationships. Among factors that could be examined are ethnicity, gender, socioeconomic status, parental education level, urbanization, regional economic conditions and regional effects.

### **CHALLENGES AND SOLUTIONS REGARDING COMMUNITY COLLEGE SERVICE IN RURAL AND REMOTE AREAS: A PROGRESS REPORT**

Staff member Dr. Stacy Wilson provided a progress report on the Commission's advisory committee that is examining the unique challenges faced by community colleges in serving rural and remote areas. Challenges have been identified in three different areas – student needs, community college funding, and administrative procedures and policies. He stated that committee members are compiling a list of the precise needs of diverse learners residing in rural or remote communities.

Dr. Angela Fairchild, President of the Woodland Community College, and Kay Spurgeon, Colusa County Superintendent of Education, addressed the Commission about their experiences and the challenges they face in serving students in their respective areas. Scott Lay, President of the Community College League of California, expressed his concerns about the report and informed the Commission about the League's future plans for convening administrators of colleges in rural and remote areas to address some of these problems.

In concluding his report, Dr. Wilson informed the Commission that staff will be holding discussions throughout the state over the next six months to solicit input from relevant individuals and agencies as well as holding focus-group discussions with community college students who reside in rural or remote areas.

### **UPDATE ON THE COMMISSION'S UNIVERSITY ELIGIBILITY STUDY FOR THE CLASS OF 2007**

Staff member Dr. Adrian Griffin reported that an advisory committee for a Class of 2007 eligibility study has been formed, including representatives from the University of California, the California State University, the Department of Education, the Department of Finance, and the Legislative Analyst's Office. As its first priority, this committee will decide on the size of the margin of error that is desired in the study, weighing the tradeoff between the value of having a more accurate estimate and the cost of including more high schools in the study. When that decision is made, a technical committee will be formed to develop the specifics of the study plan. A study plan should be in place by March, so that actual data collection can begin in May. Dr. Griffin concluded his presentation by stating the necessity of having agreement on the study plan from all interested parties.

### **RECESS**

The meeting was recessed at 4:35 p.m.

### RECONVENE

Chair Welinsky called the December 13, 2006, meeting of the California Postsecondary Education Commission back to order at 9:14 a.m. in the Commission Conference Room at 770 L Street, Suite 1160, Sacramento, California.

### CALL OF THE ROLL

Executive Secretary Anna Gomez called the roll for the December 13, 2006, meeting. Present were Chair Welinsky, Vice Chair Singh, Commissioners Arkatov, Bishop, Izumi, Perez, and Pesqueira. A quorum was present throughout the meeting.

### THE NEXUS BETWEEN POSTSECONDARY EDUCATION AND WORKFORCE DEVELOPMENT: A WORKFORCE AND EMPLOYER PERSPECTIVE

Staff member Ms. Karen Humphrey and graduate student interns Ms. Lingbo Liu and Ms. Tarnjeet Kang presented a report on the nexus between postsecondary education and workforce development from a workforce perspective. Their paper examined projections for job growth and changes in the coming decade. Ms. Humphrey noted that change is happening faster than institutions are adapting in areas such as population demographics, competitive pressures from other nations, and accelerated demands for advanced technical skills.

Ms. Humphrey reported that there is a growing consensus that more and more jobs in the future will require not just some level of postsecondary education, but also new skills and knowledge sets as well. While data on the *fastest growing* occupations indicate that only 35% of the new jobs created by the ten largest growth occupations will require postsecondary education, about 75% of the new jobs created by the 10 *fastest growing* occupations will require some kind of postsecondary education. These figures indicate a shift in the economy to higher skilled jobs, with rapid growth in occupations that demand higher level skills.

Ms. Humphrey stated there is a need for a systematic state-level collaborative effort to align the role that postsecondary education plays in workforce development and develop measures of progress for how well postsecondary education is meeting workforce needs. This report recommended that a special State taskforce be created to design a credible means for collecting data on the alignment of workforce needs with the delivery of postsecondary education and to implement effective mechanisms to finance and administer postsecondary education that will improve the State's responsiveness to changing workforce requirements.

Following extensive discussion about the delivery of postsecondary education opportunities and programs, Mr. Paul Guzman, of the California State Department of Education, applauded the Commission for continuing its work on this issue and described the Department's work on workforce issues. Kathleen Kaiser, a CSU faculty member and a trustee of the Chico Unified School District, also addressed the Commission about two issues of concern: the difficulty of obtaining student financial aid for returning part-time students and the expense of technical training at the high school level. Following these comments, the Commission unanimously approved the report and its recommendation to enact legislation for a special State taskforce to design a data collection system that will align workforce needs and postsecondary education, and implement effective mechanisms to finance and administer postsecondary education in a way that is responsive to changing workforce needs.

The report was unanimously approved.

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### **DEVELOPMENTS WITH THE COMMISSION'S LONGITUDINAL STUDENT DATA SYSTEM**

Staff member Dr. Adrian Griffin updated the Commission on how student data are currently used to develop performance measures for accountability in higher education. Work is in progress to enhance the Commission's data system by adding three additional data elements: (1) admission basis data to track persistence rates and time-to-degree for regularly admitted students (versus specially admitted students); (2) zip code data for community college students to determine how student progress varies with location; and (3) course/program data for community college students to gain a better understanding of enrollment patterns and work done in preparation for transfer versus training for a job-related skill.

### **CHALLENGES FACING THE 2007-08 CALIFORNIA STATE BUDGET**

Staff member Mr. Kevin Woolfork presented a summary of California's fiscal condition and outlined a number of factors that will influence State spending on higher education in the coming fiscal year. The ongoing State deficit, constitutional and statutory funding mandates, voter-approved ballot initiatives, court decisions, and federal actions will all have an effect; however, the biggest factor is the volatility of State revenue. This volatility results from the ups and downs of State and national economies as well as how the State assesses taxes and fees to generate public revenues.

Mr. Woolfork concluded that California higher education brings many programmatic funding needs into the coming fiscal year, including enrollment growth, increased operating costs, and more student services. As the budget process plays out over the coming year, he advised the Commission that it will develop budget and legislative policy initiatives.

### **UPDATING THE COMMISSION'S PROGRAM REVIEW GUIDELINES AND PROCEDURES**

Staff member Dr. Stacy Wilson provided a progress report on the work of the Commission's Program Review Committee. The committee is reexamining its program review guidelines and principles. Three policy areas are under consideration for updating: (1) Long-range program planning, (2) Societal Need, and (3) Adult Continuing Education. The Commission's advisory committee on program review will hold several meetings next year to resolve key issues and to assist the Commission in preparing an updated set of program review procedures and guidelines.

The report was unanimously approved.

### **PRESENTATION BY DENNIS P. JONES, PRESIDENT, NATIONAL CENTER FOR HIGHER EDUCATION MANAGEMENT SYSTEMS**

Mr. Jones presented data comparing California and the United States to other countries regarding their respective higher education outcomes.

Mr. Jones indicated that although California once had an enviable education system, more recent trends indicate that the State is slipping in its rankings. This is particularly true in educational attainment. The State ranks 49<sup>th</sup> for the percentage of 25-64 year olds with a high school diploma, but ranks 14<sup>th</sup> for 25-64 year olds with a bachelor's degree or higher. Mr. Jones also emphasized that the United States is one of a few countries in the world in which the older population has a higher educational attainment than its younger population. Commendations were given to Canada, Japan, and Korea for policies that allow each succeeding generation to attain a higher percentage of college attainment than for its previous generation. California shows a simi-



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lar trend to the United States in which the 45-54 segment of the population has higher education attainment than the 25-34 segment of the population. California's younger generation is less likely to have a college degree. It was also noted that for the state to be able to match the performance of its competitors, it will need to increase postsecondary degree attainment by at least one million recipients.

Mr. Jones also stressed that if current trends in educational attainment continue, including a \$2,500 decrease in per capita income, the State could face dire consequences. Income data showed that between 1960 and 2000, California's per capita personal income, as a percent of the U.S. average, dropped from 124% to 109%. The state is currently losing billions of dollars because a declining percentage of students are completing a postsecondary education. If all students attained a higher level of postsecondary education, California could increase personal income by almost \$200 billion by 2020.

Mr. Jones noted that the state is performing below the national average in ensuring that high school graduates go on to get a bachelor's degree, and that California enrolls over 11 full-time students attending a community college to produce one associate degree earning student.

Mr. Jones stated that approximately 20% of the adults 18-24 in California have less than a high school diploma. Of adults 25-64 with less than a high school diploma, more than half are unemployed. Hence, he said, California is importing a lot of its talent. To stay competitive on an international level, California will need to improve educational attainment or risk falling behind its international competitors over the next 20 years. Mr. Jones added that over the next 20 years, the cost to the state to increase educational attainment in California will almost double.

In concluding his presentation, Mr. Jones provided some suggestions to reverse the alarming trends. He said that although the UC and CSU systems are fairly efficient in degree production, the community college system is still lacking in this area and that UC and CSU systems should begin to focus on increasing capacity.

### **ADJOURNMENT**

There being no further business, Chair Welinsky adjourned the meeting at 11:45 a.m.





